

FOR IMMEDIATE RELEASE

October 4, 2023

Company Name: Eisai Co., Ltd.
Representative: Haruo Naito, Representative Corporate Officer and CEO
(Code No. 4523
Tokyo Stock Exchange Prime Market)
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**Notice of Absorption-Type Merger (Simplified Merger/Short-Form Merger) of
KAN Research Institute, Inc.**

Eisai Co., Ltd. (Head Office: Tokyo; Representative Corporate Officer and CEO: Haruo Naito; the “Company” or “Eisai”) hereby announces that the Company has today decided to absorb and merge with KAN Research Institute, Inc., the Company’s wholly owned subsidiary (Address: Hyogo Prefecture; “KAN Research Institute”) on April 1, 2024 (the “Merger”). Since the Merger is a simplified absorption-type merger targeting the Company’s wholly owned subsidiary, certain disclosure items and details have been omitted.

1. Purpose of the Merger

In October 2022, the Company group’s research and development (R&D) organization transitioned to the Deep Human Biology Learning (DHBL) drug discovery and development. Under the DHBL drug discovery and development, Eisai views disease as a continuum and is redefining the disease concept through comprehensive analysis of the genomic, pathophysiological and clinical information associated with the root cause of the disease. Thereafter, Eisai will deepen its knowledge of human biology by acquiring data such as biomarker and imaging data, obtained from patients who have taken the Company’s drugs, which will lead to next-generation drug discovery, and thereby aim to create innovative next-generation drug discovery concepts.

KAN Research Institute was established in 1997, as a separate corporation that can independently operate in order to promote drug discovery activities by taking an approach that is different from that of the Company. KAN Research Institute has succeeded in its own technology development concerning the acquisition of antibodies, drug delivery to the brain, generation of genetically modified animal models, etc.

Meanwhile, under the DHBL drug discovery and development, the Company has been promoting the integrated management of facilities and costs, and effective deployment of human resources in Eisai group’s R&D related organizations and, in order to fully utilize the human resources, technology, facilities, etc., of KAN Research Institute, the Company decided to absorb and merge with KAN Research Institute. Through this merger, Eisai will further deepen its understanding of human biology, while KAN Research Institute will continue to contribute to the innovative creation as a major base of drug discovery research of the Company.

2. Summary of the Merger

(1) Schedule of the Merger

Approval of the Merger Agreement by the Executive Committee	October 4, 2023
Signing of the Merger Agreement	October 4, 2023
Date of the Merger (Effective Date)	April 1, 2024

(Note) The Merger constitutes a simplified merger pursuant to Article 796, Paragraph (2) of the Companies Act on the part of the Company and a short-form merger pursuant to Article 784, Paragraph (1) of the Companies Act on the part of KAN Research Institute. Therefore, the Merger is conducted without obtaining the approval of either company's general shareholders meeting regarding the Merger Agreement.

(2) Method of the Merger

The Merger is an absorption-type merger with the Company as the surviving company and KAN Research Institute as the absorbed company which dissolves as a result of the Merger.

(3) Details of allocation related to the Merger

Since the Company holds all shares in KAN Research Institute, no consideration will be provided upon the Merger.

(4) Treatment of share options and bonds with share options associated with the Merger

Not applicable.

3. Overview of the companies involved in the Merger (as of March 31, 2023)

	Company Surviving the Absorption-Type Merger	Company Absorbed in the Absorption- Type Merger												
(1) Trade Name	Eisai Co., Ltd.	KAN Research Institute, Inc.												
(2) Address of Head Office	4-6-10 Koishikawa, Bunkyo-ku, Tokyo	6-8-2 Minatojima-minamimachi, Chuo-ku, Kobe, Hyogo												
(3) Representative	Haruo Naito, Representative Corporate Officer and CEO	Teiji Kimura, President & CEO												
(4) Scope of Business	Research and development, manufacture, sale and import and export of pharmaceuticals	Discovery research of pharmaceuticals and research on life sciences												
(5) Capital	44,986 million yen	70 million yen												
(6) Date of Incorporation	December 6, 1941	April 25, 1997												
(7) Number of Issued Shares	296,566,949 Shares	1,400 Shares												
(8) End of Fiscal Year	End of March	End of March												
(9) Major Shareholders and Shareholding Ratios (Note)	<table border="0"> <tr> <td>The Master Trust</td> <td>19.31%</td> </tr> <tr> <td>Bank of Japan, Ltd. (Trust Account)</td> <td></td> </tr> <tr> <td>Custody Bank of Japan, Ltd. (Trust Account)</td> <td>12.61%</td> </tr> <tr> <td>State Street Bank and Trust Company 505001</td> <td>7.15%</td> </tr> <tr> <td>Nippon Life Insurance Company</td> <td>3.00%</td> </tr> <tr> <td>Saitama Resona Bank, Limited</td> <td>1.85%</td> </tr> </table>	The Master Trust	19.31%	Bank of Japan, Ltd. (Trust Account)		Custody Bank of Japan, Ltd. (Trust Account)	12.61%	State Street Bank and Trust Company 505001	7.15%	Nippon Life Insurance Company	3.00%	Saitama Resona Bank, Limited	1.85%	Eisai Co., Ltd. 100.00%
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(10) Financial Position and Business Performance for the Most Recent Fiscal Year		
Fiscal year	FY3/2023 (Consolidated; IFRS)	FY3/2023 (Non-consolidated; J-GAAP)
Equity attributable to owners of the parent / Net assets	799,959 million yen	707 million yen
Total assets	1,263,350 million yen	1,438 million yen
Equity per share attributable to owners of the parent / Net assets per share	2,789.32 yen	504,784.57 yen
Revenue / Net sales	744,402 million yen	1,816 million yen
Operating income	40,040 million yen	74 million yen
Income before income taxes / Net income before income taxes	45,012 million yen	76 million yen
Income attributable to owners of the parent / Net income	55,432 million yen	49 million yen
Basic earnings per share / Net income per share	193.31 yen	35,093.10 yen

(Note) The shareholding ratios are calculated after deducting the treasury shares from the total number of issued shares.

4. Status after the Merger

As a result of the Merger, there will be no changes in the trade name, business scope, address of the head office, representative, capital or fiscal year of the Company.

5. Future outlook

The impact of the Merger on the Company's consolidated financial results will be minor because the Merger is a merger with the Company's wholly owned subsidiary.

End